

**Scott M. Tyler**  
Attorney at Law

T 704 331 2463  
F 704 378 1963  
scotttyler@mvalaw.com

Moore & Van Allen PLLC

Suite 4700  
100 North Tryon Street  
Charlotte, NC 28202-4003

Also Admitted in SC

September 15, 2010

**VIA ELECTRONIC FILING**

Ms. Jocelyn G. Boyd  
Chief Clerk and Administrator  
The Public Service Commission of South Carolina  
Synergy Business Park  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: GCRM-129, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-129.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels well below the \$5.60 commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of overcollecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not decreased to \$4.55 per dekatherm as proposed herein. The relief requested herein will avoid such overcollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.10727/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and a decrease of \$0.00227/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in October, 2010.

Ms. Jocelyn G. Boyd  
September 15, 2010  
Page 2

If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler  
Scott M. Tyler

Enclosures

c: Mr. David Carpenter  
Ms. Pia Powers  
Mr. Jim Jeffries  
Office of Regulatory Staff (via email and 5 copies via overnight delivery)

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

**VERIFICATION**

Pia Powers, being duly sworn, deposes and says that she is Manager, Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.

Pia Powers  
Pia Powers

Mecklenburg County, North Carolina  
Signed and sworn to before me this day by Pia Powers

Date: September 14, 2010

Sandra K. Hammond  
Sandra K. Hammond, Notary Public

(Official Seal)

My commission expires: August 4, 2013



# **RATES AND CHARGES**

**SOUTH CAROLINA RATES AND CHARGES**

**Residential**

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**Residential Service - Value Rate 201**

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 0.90003
April - October	\$ 8.00	April - October	\$ 0.85209

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**Residential Service - Standard Rate 221**

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 1.11117
April - October	\$ 8.00	April - October	\$ 1.11610

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**Outdoor Gaslight Service - Rate 205**

Monthly Charge -	\$ 15.00
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## SOUTH CAROLINA RATES AND CHARGES

## Commercial

**Small General Service - Standard Rate 202**

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 1.01282
		April - October	\$ 0.97566

**Small General Service - Value Rate 232**

Monthly Charge -	\$ 22.00	Rate Per Therm -		
		November - March	First 2,000	\$ 0.94869
			Over 2,000	\$ 0.91660
		April - October	First 2,000	\$ 0.84682
			Over 2,000	\$ 0.81790

**Medium General Service - Standard Rate 252**

Monthly Charge -	\$ 75.00	Rate Per Therm -	
		November - March	\$ 0.98723
		April - October	\$ 0.94424

**Medium General Service - Value Rate 262**

Monthly Charge -	\$ 75.00	Rate Per Therm -		
		November - March	First 5,000	\$ 0.91337
			Over 5,000	\$ 0.87681
		April - October	First 5,000	\$ 0.81486
			Over 5,000	\$ 0.78849

**Small General Service - Motor Fuel Rate 242**

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 0.72269
		April - October	\$ 0.70947

## SOUTH CAROLINA RATES AND CHARGES

## Industrial

Large General Sales Service - Rate 203

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	1.90000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.73685	First 15,000	\$ 0.64342
Next 15,000	\$ 0.66520	Next 15,000	\$ 0.59480
Next 75,000	\$ 0.62578	Next 75,000	\$ 0.60274
Next 165,000	\$ 0.54872	Next 165,000	\$ 0.53015
Next 330,000	\$ 0.49340	Next 330,000	\$ 0.48840
Over 600,000	\$ 0.46483	Over 600,000	\$ 0.46483

Interruptible Sales Service - Rate 204

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.81767	First 15,000	\$ 0.65840
Next 15,000	\$ 0.74224	Next 15,000	\$ 0.60960
Next 75,000	\$ 0.69215	Next 75,000	\$ 0.58300
Next 165,000	\$ 0.71568	Next 165,000	\$ 0.55703
Next 330,000	\$ 0.59184	Next 330,000	\$ 0.50340
Over 600,000	\$ 0.50483	Over 600,000	\$ 0.47483

Large General Transportation Service - Rate 213

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	0.60000
Standby Sales Service Charge (monthly per peak day therm usage) -		\$	1.30000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25066	First 15,000	\$ 0.17986
Next 15,000	\$ 0.18374	Next 15,000	\$ 0.13152
Next 75,000	\$ 0.13735	Next 75,000	\$ 0.10560
Next 165,000	\$ 0.09372	Next 165,000	\$ 0.07239
Next 330,000	\$ 0.03840	Next 330,000	\$ 0.03340
Over 600,000	\$ 0.00983	Over 600,000	\$ 0.00983

Interruptible Transportation Service - Rate 214

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25015	First 15,000	\$ 0.17925
Next 15,000	\$ 0.18310	Next 15,000	\$ 0.13002
Next 75,000	\$ 0.13455	Next 75,000	\$ 0.09947
Next 165,000	\$ 0.08634	Next 165,000	\$ 0.06886
Next 330,000	\$ 0.03932	Next 330,000	\$ 0.05375
Over 600,000	\$ 0.00983	Over 600,000	\$ 0.00983

**SOUTH CAROLINA RATES AND CHARGES**

**Miscellaneous Fees And Charges**

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**Schedule For Limiting And Curtailing Service - Rate 206**

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

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**Reconnect Fees**

February Through August	\$ 40.00
September Through January	\$ 60.00

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**Returned Check Charge**

Returned Check Charge	\$ 25.00
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Issued by Tom Skains, CEO & President  
Issued to comply with the authority granted by  
The Public Service Commission of South Carolina  
GCRM-129

Issued: September 15, 2010  
Effective: October 2010

# **SCHEDULE A**

Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective October 2010  
GCRM - 129

South Carolina Rate Schedules:		Current April 2010 <u>Billing Rates</u>	<u>Change</u>	Proposed October 2010 <u>Billing Rates</u>
<b>201</b>	<b>Residential Service - Value</b>			
	Monthly Charge-winter	10.00	-	10.00
	Monthly Charge-summer	8.00	-	8.00
	Winter (Nov.-Mar.)	1.00730	(0.10727)	0.90003
	Summer (Apr.-Oct.)	0.95936	(0.10727)	0.85209
<b>221</b>	<b>Residential Service - Standard</b>			
	Monthly Charge-winter	10.00	-	10.00
	Monthly Charge-summer	8.00	-	8.00
	Winter (Nov.-Mar.)	1.21844	(0.10727)	1.11117
	Summer (Apr.-Oct.)	1.22337	(0.10727)	1.11610
<b>205</b>	<b>Outdoor Gas Light Service</b>			
	Monthly Charge	15.00	-	15.00
<b>202</b>	<b>Small General Service-Standard</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)	1.12009	(0.10727)	1.01282
	Summer (Apr.-Oct.)	1.08293	(0.10727)	0.97566
<b>232</b>	<b>Small General Service-Value</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)			
	First 2,000	1.05596	(0.10727)	0.94869
	Over 2,000	1.02387	(0.10727)	0.91660
	Summer (Apr.-Oct.)			
	First 2,000	0.95409	(0.10727)	0.84682
	Over 2,000	0.92517	(0.10727)	0.81790
<b>252</b>	<b>Medium General Service-Standard</b>			
	Monthly Charge	75.00	-	75.00
	Winter (Nov.-Mar.)	1.09450	(0.10727)	0.98723
	Summer (Apr.-Oct.)	1.05151	(0.10727)	0.94424
<b>262</b>	<b>Medium General Service-Value</b>			
	Monthly Charge	75.00	-	75.00
	Winter (Nov.-Mar.)			
	First 5,000	1.02064	(0.10727)	0.91337
	Over 5,000	0.98408	(0.10727)	0.87681
	Summer (Apr.-Oct.)			
	First 5,000	0.92213	(0.10727)	0.81486
	Over 5,000	0.89576	(0.10727)	0.78849
<b>242</b>	<b>Small General Service-Motor Fuel</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)	0.82996	(0.10727)	0.72269
	Summer (Apr.-Oct.)	0.81674	(0.10727)	0.70947

Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective October 2010  
GCRM - 129

South Carolina Rate Schedules:		Current April 2010 <u>Billing Rates</u>	<u>Change</u>	Proposed October 2010 <u>Billing Rates</u>
<b>203</b>	<b>Large General Sales Service</b>			
	Monthly Charge	250.00	-	250.00
	Billing Demand (therms)	1.90000	-	1.90000
	Winter (Nov.-Mar.)			
	First 15,000	0.84412	(0.10727)	0.73685
	Next 15,000	0.77247	(0.10727)	0.66520
	Next 75,000	0.73305	(0.10727)	0.62578
	Next 165,000	0.65599	(0.10727)	0.54872
	Next 330,000	0.60067	(0.10727)	0.49340
	Over 600,000	0.57210	(0.10727)	0.46483
	Summer (Apr.-Oct.)			
	First 15,000	0.75069	(0.10727)	0.64342
	Next 15,000	0.70207	(0.10727)	0.59480
	Next 75,000	0.71001	(0.10727)	0.60274
	Next 165,000	0.63742	(0.10727)	0.53015
	Next 330,000	0.59567	(0.10727)	0.48840
	Over 600,000	0.57210	(0.10727)	0.46483
<b>204</b>	<b>Interruptible Sales Service</b>			
	Monthly Charge	250.00	-	250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.92494	(0.10727)	0.81767
	Next 15,000	0.84951	(0.10727)	0.74224
	Next 75,000	0.79942	(0.10727)	0.69215
	Next 165,000	0.82295	(0.10727)	0.71568
	Next 330,000	0.69911	(0.10727)	0.59184
	Over 600,000	0.61210	(0.10727)	0.50483
	Summer (Apr.-Oct.)			
	First 15,000	0.76567	(0.10727)	0.65840
	Next 15,000	0.71687	(0.10727)	0.60960
	Next 75,000	0.69027	(0.10727)	0.58300
	Next 165,000	0.66430	(0.10727)	0.55703
	Next 330,000	0.61067	(0.10727)	0.50340
	Over 600,000	0.58210	(0.10727)	0.47483

Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective October 2010  
GCRM - 129

South Carolina Rate Schedules:		Current April 2010 <u>Billing Rates</u>	<u>Change</u>	Proposed October 2010 <u>Billing Rates</u>
<b>213</b>	<b>Large General Transportation Service</b>			
	Monthly Charge	250.00	-	250.00
	Standby Demand	1.30000	-	1.30000
	Billing Demand (therms)	0.60000	-	0.60000
	Winter (Nov.-Mar.)			
	First 15,000	0.25293	(0.00227)	0.25066
	Next 15,000	0.18601	(0.00227)	0.18374
	Next 75,000	0.13962	(0.00227)	0.13735
	Next 165,000	0.09599	(0.00227)	0.09372
	Next 330,000	0.04067	(0.00227)	0.03840
	Over 600,000	0.01210	(0.00227)	0.00983
	Summer (Apr.-Oct.)			
	First 15,000	0.18213	(0.00227)	0.17986
	Next 15,000	0.13379	(0.00227)	0.13152
	Next 75,000	0.10787	(0.00227)	0.10560
	Next 165,000	0.07466	(0.00227)	0.07239
	Next 330,000	0.03567	(0.00227)	0.03340
	Over 600,000	0.01210	(0.00227)	0.00983
<b>214</b>	<b>Interruptible Transportation Service</b>			
	Monthly Charge	250.00	-	250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.25242	(0.00227)	0.25015
	Next 15,000	0.18537	(0.00227)	0.18310
	Next 75,000	0.13682	(0.00227)	0.13455
	Next 165,000	0.08861	(0.00227)	0.08634
	Next 330,000	0.04159	(0.00227)	0.03932
	Over 600,000	0.01210	(0.00227)	0.00983
	Summer (Apr.-Oct.)			
	First 15,000	0.18152	(0.00227)	0.17925
	Next 15,000	0.13229	(0.00227)	0.13002
	Next 75,000	0.10174	(0.00227)	0.09947
	Next 165,000	0.07113	(0.00227)	0.06886
	Next 330,000	0.05602	(0.00227)	0.05375
	Over 600,000	0.01210	(0.00227)	0.00983

# **SCHEDULE B**

Piedmont Natural Gas Company, Inc.  
South Carolina  
Commodity Cost of Gas Calculation  
GCRM - 129

	Annualized Throughput (DT) per Docket 2005-125-G Settlement Approved on 10/13/2009	Proposed Increase (Decrease) in Rate per DT	Total
Sales	13,626,116	\$ (1.05)	\$ (14,307,422)
Transportation	4,826,194		
Total Throughput	18,452,310		
LAUF %	2.16%		
Company Use & Lost And Unacct For	398,570	\$ (1.05)	\$ (418,499)
Total Throughput			18,452,310
LAUF Rate Adjustment per DT			(0.0227)
Sales Commodity Rate Adjustment per DT			(1.0727)
Sales Commodity Rate Adjustment per Therm			(0.10727)
Transportation Commodity Rate Adjustment per DT			(0.0227)
Transportation Commodity Rate Adjustment per Therm			(0.00227)
Current Effective Benchmark per DT		\$	5.60
Proposed Effective Benchmark per DT		\$	4.55

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the attached documents are being served this date via email and UPS Overnight (5 copies) upon:

Florence P. Belser  
Office of Regulatory Staff  
1401 Main Street  
Suite 900  
Columbia, South Carolina 29201  
fbelser@regstaff.sc.gov

And that a copy of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter  
Managing Director Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
david.carpenter@piedmontng.com

Pia Powers  
Manager, Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
pia.powers@piedmontng.com

This the 15th day of September, 2010.

s/ Scott M. Tyler  
Scott M. Tyler